New Giants Entered Mortgage Servicing Industry This Year

Commercial Banking Firms, Seeking to Raise Cash, Have Been Selling Mortgage Units at Lofty Prices

By L. MICHAEL CACACE

NEW YORK — New players kept entering the top ranks of the mortgage servicing field in the first half of 1986, a trend that began 18 months ago and continues to be fueled by acquisitions of mortgage banking companies.

The major new entrants have been insurance companies, the financial arm of the nation's largest auto company, and thrift institutions. These firms are attracted by the profit potential of mortgage banking. Unlike many other areas of the financial services industry, mortgage banking does not require significant market share to be profitable.

Commercial banking firms have been the major sellers. For example, from Dec. 31, 1984, to June 30, 1986, four new firms entered the ranks of the nation's top 10 mortgage servicers. Of the four, three entered the field by acquiring the mortgage company subsidiaries of four commercial banking firms.

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The main reasons for the sale of mortgage servicing subsidiaries by banks have been the pressure to raise additional capital to meet federal regulatory requirements and the high prices mortgage servicing companies have fetched in recent years.

These are some of the findings of the *American Banker's* annual survey of the mortgage industry. The survey is based on permanent real estate mortgages serviced for investors. Mortgages owned by an institution, as well as forward commitments, home improvement loans, and all temporary financing such as construction loans and development loans are excluded.

Four major listings appear in today's edition: the top 100 mortgage companies in mortgage servicing on June 30; the top 100 commercial banks in mortgage servicing on June 30; the top 50 thrift institutions in servicing on March 31; and the top 25 firms in servicing, based on the combined servicing performed by their thrift, bank, and mortgage company subsidiaries.

A listing of the top 300 mortgage firms will be published in the near future.

The four new nonbank firms to enter the ranks of the top 10 within the last 18 months are the top-ranked GMAC Mortgage Co., Philadelphia; fourth-ranked Fireman's Fund Mortgage Corp., Farmington Hills, Mich.; sixth-ranked CityFed Financial Corp., Bedminster, N.J.; and seventh-ranked Metmor Financial Inc., Los Angeles.

• GMAC Mortgage Co., Philadelphia, is a subsidiary of General Motors Acceptance Corp., the financing arm of General Motors Corp. GMAC Mortgage was servicing $21.8 billion in mortgages for investors on June 30, 1986, up 6.9% from $20.4 billion at yearend 1985, when it surpassed Lomas & Nettleton Financial Corp., Dallas, as the top mortgage servicing firm in the nation.

GMAC Mortgage began operations in the first half of 1985, acquiring the fourth and ninth largest servicers in the field. Norwest Mortgage Inc., Minneapolis, and its $11.1 billion portfolio, was acquired from Norwest Corp. in March of 1985 for $125 million; and Colonial Mortgage Service Co., Philadelphia, and its $7.4 billion portfolio, was was acquired from CoreStates Financial Corp. in April 1985 for $190 million. By midyear 1985, GMAC Mortgage was the second largest firm in the business with $19.3 billion in servicing.

• Fireman's Fund Mortgage was formerly known as Manufacturers Hanover Mortgage Corp. Fireman's Fund Mortgage is a subsidiary of Fireman's Fund Corp., the insurance holding company based in Novato, Calif. Fireman's Fund Corp. acquired the company from Manufacturers Hanover Corp., New York, for $260 million. The effective date of the acquisition of the company and its name change was June 30. Fireman's Fund Mortgage serviced $14.8 billion in mortgages on that date.

• CityFed Financial Corp., Bedminster, N.J., a thrift holding company, acquired Kissell Co., Springfield, Ohio, on June 1, 1986, from PNC Financial Corp., Pittsburgh. Kissell was the 17th largest mortgage company on June 30, with $6.6 billion in servicing. CityFed Financial's thrift unit, City Federal Savings Bank, Elizabeth, N.J., services mortgages through its mortgage division, CityFed Mortgage Co., and ranked fourth among thrift institutions in servicing, with $6.6 billion in mortgages serviced for investors on March 31.

• Metmor Financial Inc., formerly known as CrossLand Capital Corp., was acquired by Metropolitan Life Insurance Co. from CrossLand Savings FSB, Brooklyn, N.Y., for $200 million in June 1985. Metmor serviced $11.7 billion in mortgages at the end of June.

The mortgage banking business is actually two businesses. First, there is the origination business. A mortgage company originates first mortgages with its own or borrowed funds and then sells these loans to investors. The second business is servicing, which generally is the more lucrative. For a fee, the mortgage company will continue to service the mortgages it sells to investors.

Servicing includes the collection of payments in accordance with the terms of the loan and the operational procedures covering accounting, bookkeeping, insurance, tax records, loan payment follow-up, delinquency loan follow-up, and loan analysis.

"Diversified corporate nonfinancial firms, including what might be referred to as 'smokestack' America, will continue their love affair with mortgage bankers during the immediate future," according to Lawrence J. Trautman, a senior vice president and director of mortgage industry practice at Donaldson, Lufkin & Jenrette Inc., New York.

Mr. Trautman said that "financial services niches, such as mortgage banking, should remain uniquely attractive to corporate strategic planners in other industries, as they strive to discover businesses with profit potential."

He added: "Mortgage banks should be at the top of the list for financial service acquirers for many good reasons. The most important reason is the stability of cash flows available through the selective, partial sale of loan servicing, which is a major plus to a publicly traded company.

"The growing perception of the pivotal role of mortgage finance in the economy bodes well for a continued bull market in the market value of mortgage banking companies and loan servicing, as the acquisition demand remains strong for these companies."■

Changing Face of Mortgage Servicing

Top 10 Mortgage Servicers Based on Combined Servicing

(In Billions of Dollars)

June 30, 1986		December 31, 1984	
1. GMAC Mortgage Co.	$21.8	1. Lomas & Nettleton Financial Corp.	$17.6
2. Lomas & Nettleton Financial Corp.	21.3	2. Fleet Financial Group, Inc.	12.0
3. Citicorp	18.2	3. Manufacturers Hanover Corp.	11.9
4. Fireman's Fund Mortgage Corp.	14.8	4. Norwest Mortgage Inc.	11.1
5. Fleet Financial Group.	13.8	5. Citicorp	9.3
6. CityFed Financial Corp.	13.7	6. Weyerhaeuser Mortgage Co.	8.8
7. Metmor Financial Inc.	11.7	7. CrossLand Capital Corp.	8.6
8. Commonwealth Mtge Cp. of America	11.4	8. First Interstate Bancorp.	8.3
9. First Interstate Bancorp.	11.0	9. Colonial Mortgage Service Co.	7.4
10. Weyerhaeuser Mortgage Co.	10.8	10. Bank of Boston Corp.	7.3

Bold face indicates firm entered mortgage servicing business since Dec. 31, 1984.

Bold face indicates firm left mortgage servicing business since Dec. 31, 1984.

Refinancing Wave to Continue, Predicts Mortgage Bankers' Departing Chief

By MARK BASCH

WHITE PLAINS, N.Y. — As residential mortgage originations soared to record levels in 1986, the main trade group of the mortgage banking industry found itself turning to a commercial real estate specialist for leadership.

"It's interesting that there was a commercial specialist president in the biggest residential year the industry ever had," said Ronald F. Poe, outgoing president of the Mortgage Bankers Association. "It's been an interesting and challenging year for me staying current with all the residential issues."

Last year, in what was considered a busy year for the mortgage banking industry, mortgage originations totaled about $240 billion nationally. This year, the total is expected to be about $400 billion. "No one could have ever possibly estimated the volume that has taken place this year," Mr. Poe said.

As president and chief executive officer of Dorman & Wilson Inc., a real estate investment finance firm that makes only commercial real estate loans, Mr. Poe has not experienced the residential mortgage crunch first hand. But that doesn't mean Dorman & Wilson has been sitting idly by. The firm, which operates in the New York-New Jersey-Connecticut area, will make about $1 billion in loans by yearend and have a servicing volume of about $3 billion, he said.

Ronald F. Poe

Dorman & Wilson believes it is the largest privately held commercial real estate firm in the country. It was once a subsidiary of European American Bancorp, but Mr. Poe, who joined the company in 1965, led a leveraged buyout of the firm in 1983.

He feels the strong volume of residential mortgages will continue into 1987, but the commercial real estate market will be hit hard by a combination of overbuilding and the new tax laws. "Nineteen eighty-seven is going to be an extremely difficult year for commercial real estate," he said. "Thus far, commercial values have stayed the same, because rents and interest rates have dropped in about the same proportion. Interest rates aren't going to drop any more, but rents are. We're going to see a number of major commercial projects default in 1987."

While the multifamily property market was hurt by the tax bill, the single-family residential mortgage business came out in good shape. "Housing has been treated very fairly and [the tax bill] should have no effect whatsoever on the volumes of people [getting loans] up to $200,000," Mr. Poe said. "The markets that will be effected by tax reform are the $200,000- to $400,000-markets. In those markets, purchasers seriously consider the after-tax costs of housing."

Purchasers who can afford homes of more than $400,000 don't worry about those costs, he said.

Mr. Poe expects interest rates to remain stable in 1987, with residential housing starts remaining about the same. "The wave of refinances will continue," he said. "It's estimated that there are still around four million loans outstanding with rates above 12%."

When the wave of refinancings began early in 1986, many mortgage lenders found themselves backed up with mortgage applications and lacking the manpower to handle all the business. "The way the industry has adjusted to that problem is to just orient itself so that time frames are longer," he said. "Instead of a 30- to 45-day time period, we've now moved to a 45- to 90-day time period.

"It's very difficult to expand the system because so much of the system can't be quickly expanded," he said, like the title and the appraisal processes.

Some old-line mortgage bankers have been slow to embrace new technology that would speed up the process, but the addition of large conglomerates like General Motors into the mortgage banking industry in recent years might push the industry ahead. Mr. Poe sees that as a positive sign.

"As General Motors Acceptance Corp. enters the mortgage business, it's clear that what they would like to do is bring a much higher level of electronically oriented productivity to a very complex business," he said. "I think that's good, because it's clear that over the past year we just haven't been able to keep up electronically with the volumes.

"The whole origination and closing process is just too complicated. It needs clearly to be brought into the 20th century," he said.

One innovation that hasn't caught on, he said, is the electronic mortgage network. These networks, developed within the past three years, were designed to give home buyers a listing of mortgage products from several lending institutions around the country.

"That's an idea whose time hasn't come for a number of reasons, not the

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Servicing Volume Rises 13% at Top 100 Mortgage Companies

By L. MICHAEL CACACE

NEW YORK — The servicing volume of the top 100 mortgage companies increased 13% in the year ending June 30, according to an *American Banker* survey.

The top 100 mortgage companies were servicing $423.8 billion for investors on June 30, 1986, up from $375.1 billion serviced by the top 100 firms on June 30, 1985. The value of mortgages serviced by the top 100 increased 6.5% from $397.8 billion on Dec. 31, 1985.

The *American Banker* surveyed 400 mortgage companies, 150 commercial banks, and 60 thrifts to compile today's listings of the top 100 mortgage companies, the top 100 commercial banks in mortgage servicing, the top 50 thrifts in mortgage servicing, and the top 25 servicers among the combined groups.

Data for banks and mortgage companies were obtained directly from these institutions by the *American Banker*. The thrift data were obtained from ADP Data Services Division, New York, from ADP's thrift data base. This data base is derived from Federal Home Loan Bank Board data.

Below are the more important statistical findings from the survey:

- GMAC Mortgage Co., Philadelphia, maintained its ranking as the top mortgage company in the field with $21.8 billion in mortgages serviced for investors on June 30, up 4.7% from its industry-leading volume of $20.4 billion on Dec. 31, 1985, and up 12.6% from $19.3 billion on June 30, 1985, when it ranked second.
- Lomas & Nettleton Financial Corp., Dallas, which had ranked as the top mortgage company for 17 consecutive years until it was surpassed by GMAC Mortgage at yearend 1985, again was second with $21.3 billion in servicing at midyear, up 5.2% from $20.2 billion a year earlier.
- Over the year ended June 30, Citicorp Homeowners Services Inc., St. Louis, moved up three places in rank to third position. Citicorp Homeowners was servicing $15 billion in mortgages for others on June 30, up 72% from $8.7 billion a year earlier, when it ranked sixth. According to one market analyst, Citicorp Homeowners — a Citicorp subsidiary — has been aggressively acquiring servicing.
- The fourth and fifth largest mortgage companies in the nation are now owned by insurance companies.

Fireman's Fund Mortgage Corp., Farmington Hills, Mich., a subsidiary of the Fireman's Fund Corp., ranked fourth, with $14.8 billion in servicing on June 30, up 3.9% from $14.2 billion a year earlier, when the company — then known as Manufacturers Hanover Mortgage Corp. — ranked third.

Metmor Financial Inc., Los Angeles, a subsidiary of Metropolitan Life Insurance Co. ranked fifth with $11.7 billion, up almost 20% from a year earlier when it ranked fourth.

- The ownership breakdown of the top 100 mortgage companies finds that 36 are owned by commercial banking firms, 25 by thrifts, 24 by other companies, and 15 are independent companies. At yearend 1985, 37 of the top 100 mortgage companies were commercial-bank-related, 27 were thrift-related, 19 were owned by other companies, and 17 were independent.

Currently, two mortgage companies ranked among the top 100 are in the process of being acquired.

Earlier this month, Merrill Lynch Realty Inc. announced it would sell the $3.2 billion servicing portfolio of its mortgage subsidiary, Merrill Lynch Mortgage Corp., Stamford, Conn. — the nation's 44th largest mortgage company — to GlenFed Mortgage Corp. for about $52 million. GlenFed Mortgage is a subsidiary of the $ 16.4 billion-asset Glendale Federal Savings & Loan Association, Calif., the nation's sixth largest thrift.

Glendale Federal ranked 16th among thrift institutions in servicing on March 31, 1986, with $2.7 billion. Since then, its servicing has grown to $3.5 billion, according to the thrift, and would jump to $6.7 billion with the Merrill acquisition. Had the acquisition occurred at midyear, Glendale Federal would have ranked 23d among the top 25 mortgage servicers among banks, thrifts, and mortgage companies combined.

Last month, Fleet Financial Corp., Providence, R.I. — the nation's fifth largest mortgage servicer, based on the combined servicing portfolio of $13.8 billion at Fleet National Bank and its two mortgage company subsidiaries, announced that it had agreed to purchase Security Pacific Mortgage Corp., Denver, a subsidiary of Security Pacific Corp., Los Angeles. Security Pacific Mortgage is the nation's 57th largest mortgage company, with $2.5 billion in mortgages serviced for others on

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The 10 Largest Gainers Among the Top 100 Mortgage Companies

(Dollar Amounts in Millions)	Servicing 6/30/86	Servicing 6/30/85	Percent Increase	Mtge. Rank
1 Independence One Mtge. Corp., Southfield, Mich.	1,922	614	213.01	78
2 Sears Mortgage Corp., Lincolnshire, Ill.	6,820	2,708	151.80	13
3 Travelers Mortgage Services, Inc., Cherry Hill, N.J.	1,722	728	136.35	88
4 BA Mortgage & Int'l Realty Corp., San Francisco	1,648	732	125.08	93
5 Countrywide Funding Corp., Inc., Pasadena, Calif.	2,669	1,254	112.86	51
6 Empire of America Realty Credit Corp., Buffalo, N.Y.	5,517	2,700	104.33	22
7 Cenlar Capital Corp., Pennington, N.J.	1,729	988	75.05	87
8 Citicorp Homeowners Services, Inc., St. Louis	15,024	8,721	72.26	3
9 Commonwealth Mortgage Cp. of America, Houston	11,413	7,212	58.26	6
10 Dorman & Wilson, Inc., White Plains, N.Y.	2,483	1,649	50.53	56

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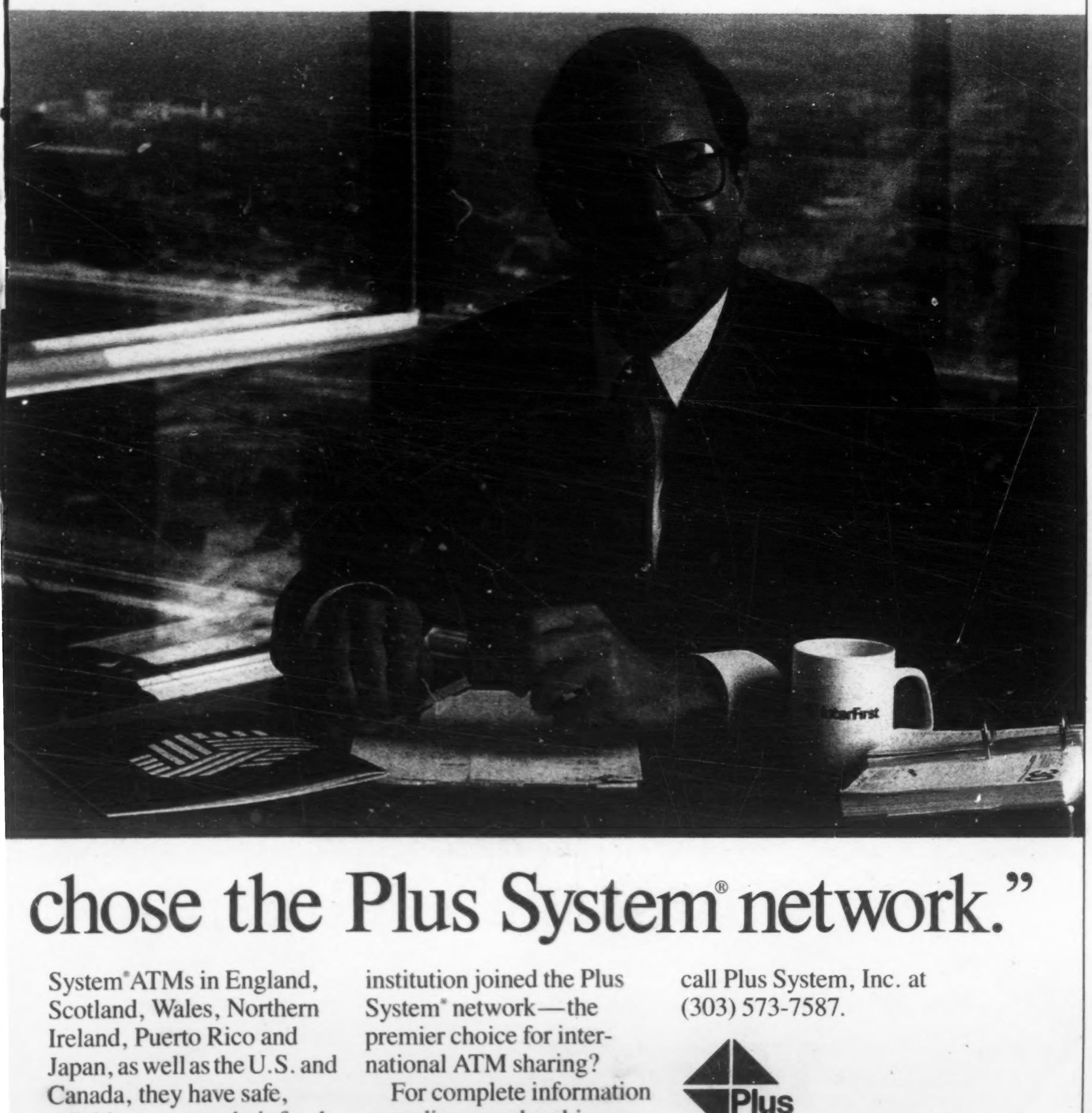

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Top 100 Mortgage Companies

Based on Volume of Permanent Mortgages Serviced on June 30, 1986

Compiled by American Banker Copyright 1986

		Dollar Volume of Mortgages Serviced					No. of Investors 6/30/86	
		6/30/86	6/30/85	Rank 6/30/85	Gain in Rank	Mortgages Serviced 6/30/86	Excluding GNMA Pools	GNMA Pools
1	GMAC Mortgage Co., Philadelphia	21,761,283,000	19,339,293,000	2	+1	355,225	1,160	2,147
2	Lomas & Nettleton Financial Corp., Dallas	21,299,782,000	20,245,241,228	1		684,736	1,050	2,929
3	Citicorp Homeowners Services, Inc., St. Louis, Mo.	15,023,550,577	8,721,409,648	6	+3	235,183	267	1,638
4	Fireman's Fund Mortgage Corp., Farmington Hills, Mich. (a)	14,792,230,000	14,241,445,000	3		365,857	467	3,588
5	Metmor Financial, Inc., Los Angeles	11,655,158,000	9,728,718,260	4		246,686	620	2,350
6	Commonwealth Mortgage Corp. of America, Houston (b)	11,413,223,848	7,211,891,444	10	+4	227,943	644	3,290
7	Weyerhaeuser Mortgage Co., Los Angeles	10,754,822,000	9,114,850,844	5		193,366	481	2,399
8	First Interstate Mortgage Co., Pasadena, Calif.	9,117,196,530	7,549,516,106	8		103,797	604	642
9	Cameron-Brown Co., Charlotte, N.C.	8,889,720,040	7,368,613,500	9		179,210	410	1,320
10	Fleet Mortgage Corp., Milwaukee, Wis.	8,711,710,904	7,867,317,000	7		263,118	712	2,384
11	Goldome Realty Credit Corp., Buffalo, N.Y.	8,013,857,400	6,645,675,640	11		152,820	346	866
12	Sovran Mortgage Corp., Richmond	6,890,000,000	6,203,112,992	14	+2	162,545	267	1,457
13	Sears Mortgage Corp., Lincolnshire, Ill.(c)	6,820,070,885	2,708,495,000	52	+ 39	130,202	250	436
14	Chemical Mortgage Corp., Columbus, Ohio	6,779,000,000	5,948,897,982	17	+3	93,426	335	808
15	Anchor Mortgage Services, Inc., Wayne, N.J.	6,708,000,000	6,600,000,000	12		146,421	199	627
16	Alliance Mortgage Co., Jacksonville, Fla.	6,648,540,600	5,838,894,942	18	+2	129,354	200	1,892
17	Kissell Co., Springfield, Ohio (d)	6,612,935,000	6,549,787,000	13		214,591	454	1,023
18	Bright Mortgage Co., Dallas	6,200,000,000	4,447,700,000	26	+8	149,000	200	1
19	Imco Realty Services Inc., Santa Rosa, Calif.	6,135,721,000	6,057,396,342	16		126,509	418	376
20	BancPlus Mortgage Corp., San Antonio, Tex.	6,080,744,692	6,105,091,125	15		140,403	228	1,977
21	Talman Home Mortgage Corp., Chicago	5,599,172,851	5,143,491,377	20		148,574	204	473
22	Empire of America Realty Credit Corp., Buffalo, N.Y.	5,517,000,000	2,700,000,000	53r	+31	127,099	204	231
23	Stockton, Whatley, Davin & Co., Jacksonville, Fla.	5,324,368,000	5,036,651,000	22		139,700	300	674
24	Shearson Lehman Mortgage Corp., Irvine, Calif.	5,234,424,857	4,695,939,690	24		95,916	452	1,087
25	Colwell Financial Corp., Los Angeles	5,123,071,917	5,075,545,416	21		171,276	375	2,282
26	Waterfield Mortgage Co., Inc., Fort Wayne, Ind.	5,100,134,450	4,100,000,000	28	+2	134,450	162	740
27	Bowest Corp., La Jolla, Calif.	4,997,306,521	5,172,349,899	19		95,553	410	568
28	New York Guardian Mortgagee Corp., Hempstead, N.Y.	4,852,949,651	4,607,409,720	25		106,280	21	14,915
29	Fleet Real Estate Funding Corp., Columbia, S.C.	4,769,757,225	3,845,574,000	31	+2	129,801	241	1,032
30	Rainier Financial Services Co., Seattle	4,470,664,055	4,388,264,773	27		87,923	154	1,040
31	Knutson Mortgage Corp., Bloomington, Minn.	4,412,602,032	2,968,632,204	43	+ 12	76,697	170	765
32	Pacific First Mortgage Corp., Walnut Creek, Calif.	4,308,397,398	4,950,272,000	23		102,396	168	641
33	Reilly Mortgage Group, Inc., Washington, D.C.	4,155,767,573	3,804,090,595	32		1,272	63	5
34	J.I. Kislak Mortgage Service Corp., Miami	4,148,000,000	3,717,320,521	33		136,000	219	397
35	Mellon Financial Services Corp. #8, Cleveland	3,991,286,000	2,853,542,000	45	+ 10	78,488	278	1,003
36	Lincoln Service Corp., Owensboro, Ky.	3,943,508,580	3,288,879,348	38	+2	63,733	130	729
37	Mortgage & Trust, Inc., Houston	3,921,170,162	3,389,790,272	37		90,740	346	1,240
38	Troy & Nichols, Inc., Monroe, La.	3,910,726,700	2,900,235,957	44	+6	118,046	356	961
39	B.F. Saul Co., Chevy Chase, Md.	3,886,787,589	3,418,593,076	36		27,679	78	178
40	Southeast Mortgage Co., Miami	3,846,100,000	3,872,664,682	30		58,561	349	545
41	Seafirst Mortgage Corp., Seattle	3,833,000,000	3,682,704,000	34		69,500	349	147
42	Paine Webber Mortgage Finance, Inc., Columbia, Md.	3,269,730,392	2,717,427,877	50	+8	31,410	79	551
43	Coldwell Banker Real Estate Fin. Ser., Newport Beach, Calif.	3,186,815,972	2,812,277,952	47	+4	5,865	17	0
44	Merrill Lynch Mortgage Corp., Stamford, Conn. (e)	3,179,400,000	2,979,889,830	42		83,603	123	487
45	Meritor Mortgage Corp.-West, Orange, Calif.	3,132,992,000	3,184,905,940	39		55,503	190	430
46	Chase Home Mortgage Corp., Montvale, N.J.	3,129,782,000	2,465,391,000	57	+ 11	68,336	54	251
47	Lumbermen's Investment Corp., Austin, Tex.	3,085,912,701	2,717,346,004	51	+4	86,629	203	733
48	Crocker Mortgage Co., Inc., San Diego, Calif.	3,021,525,851	3,128,000,000	41		51,306	43	2
49	ICM Mortgage Corp., Englewood, Colo.	2,857,212,000	2,651,000,000	53	+4	42,141	20	1,074
50	Meritor Mortgage Corp.-East, Philadelphia	2,850,935,006	2,460,292,313	58	+8	84,519	356	319
51	Countrywide Funding Corp., Inc., Pasadena, Calif.	2,669,270,848	1,254,000,000	106	+ 55	44,396	75	436
52	Equitable Mortgage Resource Inc., Clearwater, Fla.	2,620,977,057	2,636,753,799	55	+3	72,247	124	705
53	Foster Mortgage Corp., Fort Worth, Tex.	2,609,163,000	2,789,700,000	48		37,075	248	150
54	Mortgage Investment Co. of El Paso, Tex.	2,600,000,000	2,746,583,611	49		66,000	170	300
55	Barnett Mortgage Company, Jacksonville, Fla.	2,496,558,950	1,803,827,086	73	+ 18	54,703	154	324
56	Dorman & Wilson, Inc., White Plains, N.Y.	2,482,885,000	1,649,387,000	81	+ 25	1,521	16	0
57	Security Pacific Mortgage Corp., Denver	2,466,711,188	4,069,154,000	29		48,245	365	762
58	North American Mortgage Co., Houston	2,377,953,304	2,361,720,336	59	+1	30,279	350	175
59	Gilldorn Mortgage Midwest Corp., Schaumburg, Ill.	2,336,022,891	2,306,017,892	60	+1	67,877	232	369
60	ARCS Mortgage, Inc., Canoga Park, Calif.	2,261,485,160	1,890,239,732	71	+ 11	41,895	83	408
61	Midland Mortgage Co., Oklahoma City	2,252,531,959	3,549,314,756	35		92,903	167	399
62	Old Stone Mortgage Corp., Seattle	2,249,646,000	2,193,057,071	61		61,785	295	491
63	United Virginia Mortgage Corp., Richmond	2,224,702,000	1,990,123,000	64	+1	57,981	298	426
64	Citicorp Real Estate Inc., New York	2,200,000,000	2,522,000,000	56		1,100	93	56
65	AmSouth Mortgage Co., Inc., Birmingham, Ala.	2,193,093,887	1,950,092,009	65		63,584	269	851
66	First Wachovia Mortgage Co., Winston-Salem, N.C.	2,170,622,307	2,117,430,606	63		49,050	138	385
67	Margaretten & Company, Inc., Perth Amboy, N.J.	2,143,000,000	1,713,000,000	78	+ 11	39,490	67	404
68	Mortgage Corporation of the South, Birmingham, Ala.	2,141,525,512	1,909,880,943	68		75,091	294	544
69	Charles F. Curry & Co., Kansas City, Mo.	2,120,000,000	1,900,000,000	69		55,000	41	997
70	U.S. Bancorp Mortgage Co., Portland, Ore.	2,080,737,720	1,607,293,204	84	+ 14	44,268	195	439
71	National Mortgage Co., Memphis, Tenn.	2,056,841,861	1,713,639,000	77	+6	76,306	92	427
72	Ryan Financial Services, Inc., Pittsburgh	2,042,718,361	1,941,798,850	66		37,128	84	627
73	American General Mortgage Corp., Houston	2,029,017,587	1,743,314,088	76	+3	16,283	53	5
74	Mellon Financial Services Corp. #7, Metairie, La.	1,996,346,020	1,444,723,666	94	+ 20	40,262	59	623
75	Collateral Investment Co., Birmingham, Ala.	1,992,804,749	1,873,262,355	72		64,672	106	511
76	Murray Mortgage Co., Dallas	1,949,503,359	1,662,007,441	80	+4	42,246	225	355
77	CalFed Mortgage Co., Los Angeles	1,925,706,325	1,790,391,000	74		27,360	51	262
78	Independence One Mortgage Corp., Southfield, Mich.	1,922,482,493	614,186,954	171	+ 93	52,964	210	188
79	Standard Mortgage Corp., New Orleans, La.	1,920,000,000	1,704,844,000	79		24,670	111	121
80	NBD Mortgage Co., Troy, Mich.	1,919,100,629	1,574,809,267	88	+8	64,258	130	251
81	Shawmut Mortgage Corp., Dayton, Ohio (f)	1,914,283,198	1,415,361,608	95	+ 14	49,528	85	413
82	Genstar Mortgage Corp., Glendale, Calif.	1,876,063,000	1,934,184,000	67		60,026	149	192
83	American Mortgage Co., Houston	1,840,461,064	1,764,390,260	75		34,239	181	382
84	FBS Mortgage Corp., St. Paul, Minn.	1,811,709,000	2,649,115,000	54		39,207	226	465
85	Ryan Mortgage Co., Arlington, Tex.	1,790,718,000	1,608,190,532	83		26,385	136	187
86	Western Mortgage Loan Corp., Ogden, Utah	1,764,389,821	1,461,859,702	92	+6	29,029	39	695
87	Cenlar Capital Corp., Pennington, N.J.	1,729,468,379	987,983,466	126	+ 39	39,301	250	420
88	Travelers Mortgage Services, Inc., Cherry Hill, N.J.	1,721,820,685	728,494,189	149	+ 61	23,321	37	0
89	Guild Mortgage Co., San Diego, Calif.	1,709,866,649	1,896,697,120	70		28,559	89	443
90	Nowlin Mortgage Co., Fort Worth, Tex.	1,706,041,000	1,586,023,000	86		25,437	287	224
91	Real Estate Financing, Inc., Montgomery	1,686,817,041	1,611,131,000	82		42,051	173	426
92	Citizens & Southern Commercial Corp., Tucker, Ga.	1,655,784,000	1,301,446,826	102	+ 10	35,522	171	284
93	BA Mortgage & International Realty Corp., San Francisco	1,647,998,000	732,172,000	148	+ 55	2,509	71	1
94	Meritor Mortgage Corp.-Central, St. Paul, Minn.	1,646,537,182	1,458,000,000	93		40,036	200	448
95	American Fletcher Mortgage Co., Inc., Indianapolis	1,619,041,956	1,238,559,432	107	+ 12	35,777	145	128
96	RIHT Mortgage Corp., Charlotte, N.C.	1,601,682,122	1,495,199,000	91		31,236	69	473
97	CFS Mortgage Corp., Omaha, Neb.	1,581,840,050	1,315,505,363	99	+2	37,575	29	150
98	Federated Financial Corp., Atlanta	1,560,895,779	1,370,563,510	97		27,545	50	796
99	Colonial Mortgage Co., Montgomery, Ala.	1,556,888,857	1,162,602,663	110	+ 11	46,700	148	574
100	Firstier Mortgage Co., Omaha, Neb.	1,531,909,400	1,045,434,041	121	+ 21	26,127	61	346
	TOTALS FOR TOP 100†	**423,773,571,309**	**375,118,711,691**			**9,000,137**	**22,817**	**84,688**

Excludes loans owned by mortgage company. **(a)**— Formerly Manufacturers Hanover Mortgage Corp. Fireman's Fund Corp., Novato, Calif. acquired the company from Manufacturers Hanover Corp., New York, and changed its name effective June 30, 1986. **(b)**— Formerly Commonwealth Mortgage Corp. Changed title in the first half of 1986 and now includes Commonwealth Western Mortgage Corp., Portland, Ore. (formerly General Electric Mortgage Corp.) in its figures. **(c)**— Formerly Allstate Enterprises Mortgage Corp. Changed title on May 1, 1986. **(d)**—Acquired by CityFed Financial Corp., Bedminister, N.J. from PNC Financial Corp., Pittsburgh, on June 1. **(e)**—In process of being acquired by Glendale Federal Savings & Loan Association, Calif. from Merrill Lynch & Co., Inc., New York. **(f)**—Formerly North Central Financial Corp. Changed name on June 1, 1986. **(r)**— Based on data received after publication last year. This is the rank the company would have had if data were available. **(†)**— Servicing volume for 6/30/85 were for the top 100 firms on that date. **N.A.**— Not Available.

Ownership of the Top 100 Mortgage Companies

The Names of Parent Companies

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Rank 6/86	Name of Mortgage Servicer	Name of Parent Company
1	GMAC Mortgage Co., Philadelphia	General Motors Acceptance Corp., Detroit
3	Citicorp Homeowners Services, Inc., St. Louis, Mo.	Citicorp, New York
4	Fireman's Fund Mortgage Corp., Farmington Hills, Mich.	Fireman's Fund Corp., Novato, Calif.
5	Metmor Financial, Inc., Los Angeles	Centennial Equities Corp., New York
6	Commonwealth Mortgage Corp. of America, Houston	Commonwealth Savings Assn., Houston
7	Weyerhaeuser Mortgage Co., Los Angeles	Weyerhaeuser Co., Tacoma, Wash.
8	First Interstate Mortgage Co., Pasadena, Calif.	First Interstate Bancorp., Los Angeles
9	Cameron-Brown Co., Charlotte, N.C.	First Union Corp., Charlotte, N.C.
10	Fleet Mortgage Corp., Milwaukee, Wis.	Fleet Financial Group, Inc., Providence, R.I.
11	Goldome Realty Credit Corp., Buffalo, N.Y.	Goldome FSB, Buffalo, N.Y.
12	Sovran Mortgage Corp., Richmond	Sovran Financial Corp., Norfolk, Va.
13	Sears Mortgage Corp., Lincolnshire, Ill.	Sears Roebuck & Co., Chicago
14	Chemical Mortgage Corp., Columbus, Ohio	Chemical New York Corp.
15	Anchor Mortgage Services, Inc., Wayne, N.J.	Anchor Savings Bank FSB, Northport, N.Y.
16	Alliance Mortgage Co., Jacksonville, Fla.	Owens-Illinois, Inc., Toledo, Ohio
17	Kissell Co., Springfield, Ohio	CityFed Financial Corp., Bedminster, N.J.
18	Bright Mortgage Co., Dallas	Bright Banc Savings Assn., Dallas
20	BancPlus Mortgage Corp., San Antonio, Tex.	BancPlus Savings Assn., Pasadena, Tex.
21	Talman Home Mortgage Corp., Chicago	Talman Home Federal Savings & Loan Assn., Chicago
22	Empire of America Realty Credit Corp., Buffalo, N.Y.	Empire of America FSB, Buffalo, N.Y.
23	Stockton, Whatley, Davin & Co., Jacksonville, Fla.	Bank of Boston Corp.
24	Shearson Lehman Mortgage Corp., Irvine, Calif.	Shearson Lehman Bros., Inc., New York
25	Colwell Financial Corp., Los Angeles	Mercury Savings Assn., Wichita Falls, Tex.
27	Bowest Corp., La Jolla, Calif.	Bowest Holding Corp., La Jolla, Calif.
28	New York Guardian Mortgagee Corp., Hempstead, N.Y.	Guardian Bank NA, Hempstead, N.Y.
29	Fleet Real Estate Funding Corp., Columbia, S.C.	Fleet Financial Group, Inc., Providence, R.I.
30	Rainier Financial Services Co., Seattle	Rainier Bancorp, Seattle
31	Knutson Mortgage Corp., Bloomington, Minn.	Home Owners Fed. Savings & Loan Assn., Boston
32	Pacific First Mortgage Corp., Walnut Creek, Calif.	Pacific First Federal Savings Bank, Tacoma, Wash.
33	Reilly Mortgage Group, Inc., Washington, D.C.	Perpetual Savings Bank FSB, McLean, Va.
34	J.I. Kislak Mortgage Service Corp., Miami	J.I. Kislak, Inc., Miami
35	Mellon Financial Services Corp. #8, Cleveland	Mellon Bank Corp., Pittsburgh
36	Lincoln Service Corp., Owensboro, Ky.	Great Financial Federal Savings & Loan Assn., Louisville,
37	Mortgage & Trust, Inc., Houston	Mellon Bank Corp., Pittsburgh
40	Southeast Mortgage Co., Miami	Southeast Banking Corp., Miami
41	Seafirst Mortgage Corp., Seattle	BankAmerica Corp., San Francisco
42	Paine Webber Mortgage Finance, Inc., Columbia, Md.	Paine Webber Group, Inc., New York
43	Coldwell Banker Real Estate Fin. Ser., Newport Beach, Calif.	Sears Roebuck & Co., Chicago
44	Merrill Lynch Mortgage Corp., Stamford, Conn.	Merrill Lynch & Co., Inc., New York
45	Meritor Mortgage Corp.-West, Orange, Calif.	Meritor Savings Bank, Philadelphia
46	Chase Home Mortgage Corp., Montvale, N.J.	Chase Manhattan Corp., New York
47	Lumbermen's Investment Corp., Austin, Tex.	Temple-Eastex, Inc.., Diboll, Tex.
48	Crocker Mortgage Co., Inc., San Diego, Calif.	Crocker National Corp., San Francisco
49	ICM Mortgage Corp., Englewood, Colo.	Pulte Home Corp., Farmington Hills, Mich.
50	Meritor Mortgage Corp.-East, Philadelphia	Meritor Savings Bank, Philadelphia
51	Countrywide Funding Corp., Inc., Pasadena, Calif.	Countryside Credit Industries, Inc., Los Angeles
52	Equitable Mortgage Resource Inc., Clearwater, Fla.	Equitable Life Assurance Society of the U.S., New York
53	Foster Mortgage Corp., Fort Worth, Tex.	Benjamin Franklin Savings Assn., Houston
54	Mortgage Investment Co. of El Paso, Tex.	Elpor, Inc., Houston
55	Barnett Mortgage Company, Jacksonville, Fla.	Barnett Banks of Florida, Inc., Jacksonville
57	Security Pacific Mortgage Corp., Denver	Security Pacific Corp., Los Angeles
59	Gilldorn Mortgage Midwest Corp., Schaumburg, Ill.	Enterprise Savings Bank, Chicago
60	ARCS Mortgage, Inc., Canoga Park, Calif.	Bank of New York Co., Inc.
61	Midland Mortgage Co., Oklahoma City	Midland Financial Co., Oklahoma City
62	Old Stone Mortgage Corp., Seattle	Old Stone Corp., Providence, R.I.
63	United Virginia Mortgage Corp., Richmond	United Virginia Bankshares, Inc., Richmond
64	Citicorp Real Estate Inc., New York	Citicorp, New York
65	AmSouth Mortgage Co., Inc., Birmingham, Ala.	AmSouth Bancorporation, Birmingham, Ala.
66	First Wachovia Mortgage Co., Winston-Salem, N.C.	First First Wachovia Corp., Winston-Salem, N.C.
67	Margaretten & Company, Inc., Perth Amboy, N.J.	Berg Enterprises, Inc., Iselin, N.J.
68	Mortgage Corporation of the South, Birmingham, Ala.	Bank of Boston Corp.
70	U.S. Bancorp Mortgage Co., Portland, Ore.	U.S. Bancorp., Inc., Portland, Ore.
72	Ryan Financial Services, Inc., Pittsburgh	Ryan Homes, Inc., Pittsburgh
73	American General Mortgage Corp., Houston	American General Corp., Houston
74	Mellon Financial Services Corp. #7, Metairie, La.	Mellon Bank Corp., Pittsburgh
76	Murray Mortgage Co., Dallas	Murray Savings Assn., Dallas
77	CalFed Mortgage Co., Los Angeles	California Federal Savings & Loan Assn., Los Angeles
78	Independence One Mortgage Corp., Southfield, Mich.	Michigan National Corp., Bloomfield Hills
80	NBD Mortgage Co., Troy, Mich.	NBD Bancorp, Inc., Detroit
81	Shawmut Mortgage Corp., Dayton, Ohio	Shawmut Corp., Boston
82	Genstar Mortgage Corp., Glendale, Calif.	Canada Permanent Mortgage Co., Toronto
84	FBS Mortgage Corp., St. Paul, Minn.	First Bank System, Inc., Minneapolis
86	Western Mortgage Loan Corp., Ogden, Utah	United Savings & Loan Assn., Ogden, Utah
88	Travelers Mortgage Services, Inc., Cherry Hill, N.J.	Travelers Corp., Hartford, Conn.
90	Nowlin Mortgage Co., Fort Worth, Tex.	Nowlin Savings Assn., Fort Worth, Tex.
91	Real Estate Financing, Inc., Montgomery	First Alabama Bancshares, Inc., Montgomery
92	Citizens & Southern Commercial Corp., Tucker, Ga.	Citizens & Southern Corp., Atlanta
93	BA Mortgage & International Realty Corp., San Francisco	BankAmerica Corp., San Francisco
94	Meritor Mortgage Corp.-Central, St. Paul, Minn.	Meritor Savings Bank, Philadelphia
95	American Fletcher Mortgage Co., Inc., Indianapolis	American Fletcher Corp., Indianapolis
96	RIHT Mortgage Corp., Charlotte, N.C.	Bank of Boston Corp.
97	CFS Mortgage Corp., Omaha, Neb.	Commercial Federal Savings & Loan Assn., Omaha, Neb.
98	Federated Financial Corp., Atlanta	First Federated Savings Bank, North Palm Beach, Fla.
99	Colonial Mortgage Co., Montgomery, Ala.	Superior Mortgage Co., Montgomery, Ala.
100	Firstier Mortgage Co., Omaha, Neb.	Firstier, Inc., Omaha, Neb.

Top 100 Banks in Servicing of Permanent Mortgages

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Servicing Rank 6/30/86		Mortgages Serviced for Investors (a) Dollar Volume 6/30/86	Mortgages Serviced for Investors (a) Number of Mortgages 6/30/86	No. of Investors 6/30/86 Excluding GNMA Pools	No. of Investors 6/30/86 GNMA Pools	Servicing Rank 6/30/85	Gain in Rank	Mortgages Serviced (b) (in Dollars) 6/30/86	Mortgages Owned by Bank (in Dollars) 6/30/86
1	Bank of America NT&SA, San Francisco	2,700,000,000	53,944	190	1	1		14,900,000,000	12,200,000,000
2	Security Pacific National Bank, Los Angeles	980,197,332	20,561	77	3	5	+3	5,543,880,931	4,563,683,599
3	Citizens Fidelity Bank & Trust Co., Louisville, Ky. (d)	979,258,400	17,859	71	160	7	+4	1,097,865,200	118,606,800
4	Hibernia Bank, San Francisco	904,117,441	25,849	61	186	2		1,288,425,615	189,598,982
5	Simmons First National Bank, Pine Bluff, Ark.	875,846,437	8,322	333	271	114	+109	974,894,088	99,047,651
6	First National Bank, Anchorage, Alaska	855,551,806	10,827	26	0	4		977,669,461	116,024,663
7	Union National Bank, Little Rock, Ark.	844,007,128	24,113	211	353	3		901,758,791	57,751,663
8	National Bank of Alaska, Anchorage	831,333,838	9,462	43	2	6		951,125,314	66,759,084
9	First Interstate Bank of Washington NA, Seattle	791,458,779	22,584	62	116	29	+ 20	400,275,934	391,182,845
10	Alaska Mutual Bank, Anchorage	728,027,000	7,342	32	0	10		841,651,000	113,624,000
11	Continental Bank, Phoenix, Ariz.	690,013,778	9,969	54	53	9		753,896,107	63,882,329
12	Bank of Hawaii, Honolulu	671,272,397	15,252	86	11	11		982,079,510	309,530,352
13	First Tennessee Bank NA, Memphis	644,094,063	15,414	50	179	8		717,397,229	73,303,166
14	Marine Midland Bank NA, Buffalo, N.Y.	643,951,665	14,313	65	0	35	+ 21	1,492,384,454	841,121,459
15	National State Bank, Elizabeth, N.J.	631,041,414	17,475	44	214	23	+8	719,694,330	88,652,916
16	Citizens & Southern National Bank, Fort Lauderdale, Fla. (e)	569,686,507	16,042	140	11	15		N.A.	N.A.
17	Western Bank, Sioux Falls, S.D.	462,381,658	12,217	96	38	17		488,606,935	26,225,278
18	First National Bank, Louisville, Ky.	442,228,075	8,654	75	33	33	+ 15	526,073,379	83,845,305
19	United Bank Alaska, Anchorage	427,083,817	3,746	13	1	22	+3	454,084,797	26,736,924
20	Georgia Railroad Bank & Trust Co., Augusta	384,000,000	9,556	55	89	40	+ 20	22,000,000	22,000,000
21	Society National Bank, Cleveland	382,077,114	9,150	67	0	...		920,067,666	537,990,552
22	Bank of New England NA, Boston	381,265,364	4,611	48	0	28	+6	198,623,755	198,623,755
23	First Interstate Bank of Oregon NA, Portland	342,030,731	10,002	50	142	24	+1	1,036,907,368	694,823,290
24	First Wisconsin National Bank, Milwaukee	324,766,645	8,727	143	32	34	+ 10	161,211,242	188,157,568
25	Union Planters National Bank, Memphis, Tenn.	304,987,125	8,818	96	11	...		304,987,125	40,091,621
26	Fleet National Bank, Providence, R.I.	301,082,055	9,056	13	0	14		431,953,248	130,871,193
27	First Interstate Bank of Alaska, Anchorage	299,900,755	2,525	33	1	57	+ 30	355,835,374	55,934,619
28	Comerica Bank-Detroit	290,453,303	4,679	8	0	16		925,349,431	657,896,128
29	United Jersey Bank, Hackensack, N.J.	289,969,000	4,787	40	0	21		608,461,000	608,461,000
30	Manufacturers National Bank, Detroit	284,822,375	7,731	55	7	38	+8	846,411,418	830,853,000
31	California First Bank, San Francisco	282,304,514	5,694	61	34	26		691,745,421	706,678,648
32	First National Bank, Cincinnati	275,990,524	5,351	92	54	36	+4	522,118,238	266,915,377
33	First Hawaiian Bank, Honolulu	272,446,478	7,221	110	0	18		806,239,060	533,792,582
34	Hibernia National Bank, Baton Rouge, La. (f)	263,686,000	6,972	62	5	39	+5	309,886,771	46,201
35	Century Bank, Phoenix, Ariz.	263,163,750	7,855	48	3	20		287,181,732	24,017,982
36	Maryland National Bank, Baltimore	256,053,118	7,282	18	2	96	+ 60	349,089,117	93,035,999
37	Banco de Ponce, Hato Rey, P.R.	243,023,000	12,778	30	103	30		345,170,000	197,940,000
38	Seattle Trust & Savings Bank	235,693,900	6,069	25	4	55	+ 17	59,927,600	N.A.
39	Valley Fidelity Bank & Trust Co., Knoxville, Tenn.	205,158,926	5,558	35	94	48	+9	205,158,926	4,641,587
40	Commercial Security Bank, Ogden, Utah	193,007,992	5,587	31	34	44	+4	289,551,027	96,543,035
41	First Interstate Bank of Casper NA, Wyo.	190,634,567	4,146	0	0	43	+2	222,531,134	31,876,567
42	Central Bank of Denver	190,254,933	5,738	88	0	37		226,988,977	36,226,489
43	First Wyoming Bank NA-Cheyenne	177,773,423	4,031	51	0	...		184,536,740	1,763,317
44	Banco Popular de Puerto Rico, San Juan	173,993,900	14,405	109	5	45	+1	420,754,200	236,193,800
45	Commerce Union Bank, Nashville, Tenn.	169,000,000	4,103	39	7	31		229,000,000	50,593,000
46	North American Bank & Trust Co., Stratford, Conn.	167,060,140	3,932	15	29	47	+1	179,160,420	12,100,282
47	Union Bank, Los Angeles	165,000,000	4,000	44	0	56	+9	530,000,000	365,000,000
48	Sanwa Bank California, Los Angeles (g)	161,330,241	2,807	18	5	42		283,915,878	122,585,637
49	Norwest Bank Casper NA, Wyo.	155,000,000	3,000	0	0	52	+3	175,000,000	20,000,000
50	Fremont Bank, Calif.	152,037,000	2,263	16	0	54	+4	245,123,000	93,086,000
51	First Interstate Bank of Arizona NA, Phoenix	148,393,921	8,743	61	23	58	+7	608,662,579	460,268,658
52	Central Trust Co. NA, Cincinnati	145,231,065	5,283	39	0	69	+ 17	477,318,204	332,087,139
53	First National Bank of Maryland	142,925,125	3,155	35	4	62	+9	465,662,561	355,988,835
54	Kanawha Valley Bank NA, Charleston, W. Va.	134,098,118	3,749	26	1	63	+9	184,821,169	50,723,052
55	Texas American Bank/Fort Worth NA	133,677,124	1,961	79	38	81	+ 26	208,330,448	74,653,324
56	First Interstate Bank of Hawaii, Honolulu	132,141,284	3,161	39	0	51		244,746,842	119,669,083
57	Branch Banking & Trust Co., Wilson, N.C.	130,000,000	1,600	20	6	50		280,000,000	150,000,000
58	Sunwest Bank of Albuquerque NA, N.M.	120,081,000	4,862	12	20	64	+6	344,130,000	203,249,000
59	American National Bank & Trust Co., Kalamazoo, Mich.	117,193,434	2,191	35	0	61	+2	210,952,435	93,759,001
60	Bank IV Wichita NA, Kan. (h)	115,953,510	3,095	75	0	60		187,565,844	71,612,334
61	Citizens Commercial & Savings Bank, Flint, Mich.	108,668,665	6,375	21	16	53		372,430,017	263,761,352
62	First National Bank, Omaha, Neb.	100,955,000	2,124	25	3	76	+ 14	139,780,000	38,825,000
63	Bank of Boston-Connecticut, Waterbury (i)	100,108,000	3,570	100	0	68	+5	462,203,000	337,131,000
64	First Pennsylvania Bank NA, Philadelphia	99,269,001	1,330	79	0	65	+1	349,317,497	250,048,496
65	Idaho Bank & Trust Co., Boise	98,246,007	2,322	33	0	74	+9	148,736,279	50,490,442
66	American Security Bank NA, Washington, D.C.	97,784,095	2,202	2110	92	70	+4	234,579,840	136,795,748
67	Norwest Bank Omaha NA, Neb.	94,670,174	2,867	16	0	94	+ 27	N.A.	53,551,263
68	First Interstate Bank of Billings NA, Mont.	94,393,503	2,400	57	5	66		137,790,678	43,397,174
69	First Interstate Bank of Nevada NA, Reno	88,515,875	2,250	32	6	59		489,024,885	401,608,252
70	First National Bank, Albuquerque, N.M.	80,454,570	1,982	23	0	80	+ 10	129,493,464	49,038,894
71	Ohio Citizens Bank, Toledo	78,038,077	2,694	40	2	87	+ 16	178,519,650	100,481,573
72	Hawaii National Bank, Honolulu	76,766,514	2,407	53	0	72		113,500,982	36,734,468
73	Planters National Bank & Trust Co., Rocky Mount, N.C.	76,074,087	1,909	9	6	89	+ 16	61,097,828	14,976,258
74	Bank of the West, San Jose, Calif.	75,114,567	1,963	2	0	123	+ 49	75,114,567	66,701,936
75	Broadway National Bank, San Antonio, Tex.	74,981,586	2,517	37	28	77	+2	125,286,289	50,304,703
76	Norwest Bank Des Moines NA, Iowa	73,980,889	2,249	30	0	67		124,080,871	50,099,982
77	Alaska Statebank, Anchorage	73,453,018	853	15	0	32		81,425,945	2,588,873
78	Alaska National Bank of the North, Fairbanks	70,519,737	734	41	0	78		85,631,035	15,210,423
79	Old Kent Bank & Trust Co., Grand Rapids, Mich.	67,464,843	1,473	16	0	110	+ 31	171,615,000	104,150,157
80	Wilmington Trust Co., Del.	63,546,466	2,086	44	1	98	+ 18	524,627,795	422,007,567
81	Plains National Bank, Lubbock, Tex.	61,428,282	2,452	38	13	83	+2	70,910,872	9,482,590
82	First Bank of Whiting, Crown Point, Ind.	58,926,180	1,467	0	0	73		63,533,656	63,226,641
83	Union Trust Co., Stamford, Conn.	54,865,612	1,489	0	0	...		54,865,612	551,581,367
84	Alameda First National Bank, Calif.	53,973,466	1,133	4	0	84		82,412,145	26,907,861
85	City Bank, Honolulu	50,132,598	923	0	0	86	+1	87,595,828	37,463,230
86	American National Bank, Lawton, Okla.	47,660,841	1,492	6	29	92	+6	60,068,527	12,407,686
87	Nevada National Bank, Reno	46,258,349	953	34	0	91	+4	97,454,613	95,654,961
88	Piedmont Trust Bank, Martinsville, Va.	40,886,000	1,575	21	0	99	+ 11	129,061,500	88,175,500
89	Central Pacific Bank, Honolulu	39,900,000	900	7	0	95	+6	200,600,000	160,700,000
90	Old National Bank, Evansville, Ind.	37,942,154	1,694	51	1	90		152,610,217	111,000,555
91	InterFirst Bank Corsicana NA, Tex.	32,701,734	11,172	19	1	82		70,871,725	38,169,990
92	First Bank NA, Billings, Mont.	28,000,000	500	0	0	100	+8	64,000,000	36,000,000
93	First National Bank, Lubbock, Tex.	26,838,325	547	23	0	101	+8	93,385,423	63,642,728
94	National Bank of Commerce Tr. & Svgs Assn., Lincoln, Neb	26,826,202	613	18	0	88		59,072,662	27,739,272
95	Centerre Bank of Columbia, Mo.	25,688,857	676	21	0	97	+2	82,298,273	56,609,416
96	First Interstate Bank of Englewood NA, Colo.	23,823,905	664	14	0	103	+7	53,388,973	29,565,068
97	Norwest Bank Rochester NA, Minn.	21,347,018	643	31	0	106	+9	73,483,328	52,136,923
98	Vanguard Bank & Trust Co., Valparaiso, Fla.	20,915,283	838	24	7	111	+ 13	N.A.	7,000,000
99	Charleston National Bank, W. Va.	19,641,936	2,385	11	0	105	+6	N.A.	35,296,907
100	Colonial American National Bank, Roanoke, Va.	19,541,659	1,045	1	1	108	+8	95,050,122	58,192,494
	TOTALS FOR TOP 100†	**27,199,516,064**	**629,647**	**6,756**	**2,596**			**55,193,758,126**	**32,249,183,423**

(a)— Data are for individual banks and exclude subsidiary mortgage companies, which have their own legal identity. (b)— Excludes mortgages serviced by the bank for itself or for any accounts in its trust department. (c)— Includes all permanent mortgages serviced by the bank: for itself, for its trust department, and for others. (d)— Servicing is done by Citizens Fidelity Mortgage Co., a division of the bank. (e)— Formerly Landmark First National Bank. Changed title effective April 1986. (f)— Formerly Fidelity National Bank. Changed title July 1986. (g)— Formerly Lloyds Bank California. Changed title effective Sept. 1, 1986. (h)— Formerly Fourth National Bank & Trust Co. Changed title March 31, 1986. (i)— Formerly Colonial Bank. Changed title Sept. 8, 1986. N.A.—Not Available.

Top 50 Thrifts in Mortgages Serviced For Others

March 31, 1986, Compared with December 31, 1985, and Sept. 30, 1985

(Dollar Figures in Thousands)

Rank 3/86		Mortgage Loans Serviced for Others 3/31/86	12/31/85	9/30/85	Percent Increase Latest 3 Months	6 Months
1	Commonwealth Savings Assn., Houston	10,633,793	10,484,846	9,912,636	1.42	7.28
2	American Savings & Loan Assn., Stockton, Calif.	10,118,978	10,102,203	9,417,346	0.17	7.45
3	Home Savings of America FA, Los Angeles	8,223,867	7,767,506	6,603,899	5.88	24.53
4	City Federal Savings Bank, Bedminster, N.J.	6,585,328	6,125,508	5,620,302	7.51	17.17
5	Homestead Savings FS&LA, San Francisco	5,436,107	5,824,148	5,863,130	-6.66	-7.28
6	Great Western Savings, FS&LA, Beverly Hills	4,899,923	3,536,599	2,654,031	38.55	84.62
7	Mercury Savings Association of Texas, Wichita Falls	4,607,956	4,500,000	5,088,112	2.40	-9.44
8	Home Owners Federal Savings & Loan Association, Boston	4,142,503	3,234,166	2,973,000	28.09	39.34
9	First Nationwide Savings FS & LA, San Francisco	4,087,543	3,185,582	2,461,957	28.31	66.03
10	Colonial Savings & Loan Assn., Fort Worth, Tex.	3,065,086	3,028,818	2,989,841	1.20	2.52
11	Home Federal Savings & Loan Assn., San Diego, Calif.	3,059,719	3,107,765	3,168,900	-1.55	-3.45
12	California Federal Savings & Loan Assn., Los Angeles	2,892,528	2,391,715	2,508,109	20.94	15.33
13	Coast Savings & Loan Assn., Los Angeles	2,786,756	2,812,706	2,858,552	-0.92	-2.51
14	Standard Federal Savings & Loan Assn., Gaithersburg, Md.	2,772,495	2,780,514	2,730,989	-0.29	1.52
15	Great American First Savings Bank, San Diego	2,734,196	2,671,480	2,538,818	2.35	7.70
16	Glendale Federal Savings &Loan Assn., Calif.	2,729,414	2,771,694	1,799,626	-1.53	51.67
17	Amerifirst Federal Savings & Loan Assn., Miami	2,486,720	2,384,067	1,837,584	4.31	35.33
18	Victor Federal Savings & Loan Assn., Muskogee, Okla.	2,463,377	2,138,256	1,744,031	15.20	41.25
19	Gibraltar Savings, Beverly Hills	2,284,235	2,175,784	1,949,643	4.98	17.16
20	Comfed Savings Bank, Lowell, Mass.	2,193,276	2,018,442	1,781,766	8.66	23.10
21	Standard Federal Bank, Troy, Mich.	2,142,319	2,047,218	1,992,445	4.65	7.52
22	Merabank, FSB, Phoenix, Ariz. (a)	1,871,113	1,773,124	1,684,233	5.53	11.10
23	Transohio Savings Bank, FSB, Cleveland	1,832,494	1,477,202	1,016,534	24.05	80.27
24	Cenlar Federal Savings Bank, Pennington, N.J.	1,533,092	1,700,000	1,312,779	-9.82	16.78
25	Gibraltar Savings Association, Houston	1,380,793	1,165,549	1,287,820	18.47	7.22
26	Buckeye Federal Savings & Loan Association, Columbus, Ohio	1,349,442	1,285,712	1,110,147	4.96	21.56
27	Imperial Savings Association, San Diego	1,311,891	1,661,972	1,256,553	-21.06	4.40
28	First Texas Savings Association, Dallas	1,272,539	1,279,002	1,258,151	-0.51	1.14
29	Beverly Hills Savings, FS&LA	1,208,208	1,242,513	1,282,281	-2.76	-5.78
30	University Savings Association, Houston	1,163,657	1,220,229	1,227,197	-4.64	-5.18
31	Sears Savings Bank, Glendale, Calif.	1,114,180	1,241,936	1,079,436	-10.29	3.22
32	Union Federal Savings & Loan Assn., Los Angeles	1,095,426	1,122,403	856,504	-2.40	27.90
33	United Savings Association of Texas, Houston	1,094,238	1,122,675	851,253	-2.53	28.54
34	Albuquerque Federal Savings & Loan Assn., N.M.	1,090,937	1,065,082	969,845	2.43	12.49
35	Dominion Federal Savings & Loan Assn., McLean, Va.	1,045,411	994,858	947,064	5.08	10.38
36	Duval Federal Savings & Loan Assn., Jacksonville, Fla.	1,041,405	894,701	630,784	16.40	65.10
37	Perpetual American Bank, FSB, McLean, Va.	1,040,086	1,081,806	1,021,694	-3.86	1.80
38	Chevy Chase Savings and Loan, Inc., Md.	1,039,879	902,415	N.A.	15.23	N.A.
39	Central Savings & Loan Assn., San Diego	1,020,871	1,076,744	1,381,862	-5.19	-26.12
40	Citicorp Savings of Illinois, Chicago	1,019,467	1,015,937	1,108,914	0.35	-8.07
41	Western Federal Savings & Loan Assn., Marina del Rey, Calif.	1,016,717	871,328	792,876	16.69	28.23
42	Leader Federal Savings & Loan Assn., Memphis, Tenn.	969,124	921,634	713,632	5.15	35.80
43	Far West Savings & Loan Assn., Newport Beach, Calif.	953,641	1,022,516	748,348	-6.74	27.43
44	Mercury Savings & Loan Assn., Huntington Beach, Calif.	947,631	940,167	818,918	0.79	15.72
45	Downey Savings & Loan Assn., Costa Mesa, Calif.	891,971	918,307	946,719	-2.87	-5.78
46	First Minnesota Savings Bank, FSB, St. Paul	869,847	.....	.....	N.A.	N.A.
47	Investors Savings & Loan Assn., Richmond, Va.	864,092	703,688	540,417	22.79	59.89
48	Sunbelt Savings Assn., Dallas	834,228	965,735	761,831	-13.62	9.50
49	Atlantic Financial Federal, Bala Cynwyd, Pa.	829,810	854,873	857,985	-2.93	-3.28
50	Georgia Federal Bank, FSB, Atlanta	826,315	851,716	866,652	-2.98	-4.65
	TOTALS	122,874,624	116,462,841	105,825,146	5.51	16.11

Source of Data is ADP, Data Services Division, New York, from their computer file of the Federal Home Loan Bank Board data base for FSLIC-insured institutions. The listing is based on permanent real estate mortgages serviced for others and excludes mortgages owned by the institution, as well as forward commitments, home improvement loans and all temporary financing, such as construction and development loans. Please note that several of the institutions listed here own mortgage companies which actually perform the servicing function. These mortgage companies are listed in today's listing of the Top 100 Mortgage Companies. (a)—Formerly known as First Federal Savings Bank of Phoenix.

Top 25 Mortgage Servicers Among Banks, Thrifts, and Mortgage Companies

Based on the Combined Mortgage Servicing Volume of Firms With More than One Servicing Subsidiary As of June 30, 1986, Compared with Dec. 31, 1985

(Dollar Figures in Millions)

Rank 6/86	Rank 12/85		Servicing Volume 6/30/86	Servicing Volume 12/31/85	Number of Subsidiaries 6/30/86	Number of Subsidiaries 12/31/85
1	1	GMAC Mortgage Co., Philadelphia	$21,761	$20,353	...	...
2	2	Lomas & Nettleton Financial Corp., Dallas	21,300	19,720	...	...
3	**3**	**Citicorp, New York (a)**	**18,243**	**15,281**	**3**	**3**
4	..	Fireman's Fund Mortgage Corp., Farmington Hills, Mich. (b)	14,792	14,899	...	...
5	**5**	**Fleet Financial Group, Inc., Providence, R.I.**	**13,783**	**12,595**	**3**	**3**
6	..	**CityFed Financial Corp., Bedminster, N.J. (c)**	**13,754**	.....	**2**	...
7	7	Metmor Financial Inc., Los Angeles	11,655	11,332	...	...
8	6†	Commonwealth Mortgage Corp. of America, Houston (d)	11,413	12,054†	..	2
9	**12**	**First Interstate Bancorp., Los Angeles**	**11,015**	**8,600**	**9**	**3**
10	8	Weyerhaeuser Mortgage Co., Los Angeles	10,755	9,844	...	...
11	..	American Savings & Loan Assn., Stockton, Calif.	10,119★	10,102		
12	**9**	**Bank of Boston Corp.**	**10,031**	**9,598**	**4**	**4**
13	**10**	**Sears, Roebuck & Co., Chicago**	**10,007**	**9,205**	**2**	**2**
14	**11**	**Mellon Bank Corp., Pittsburgh**	**9,909**	**8,796**	**3**	**3**
15	13	Cameron-Brown Co., Charlotte, N.C.	8,890	8,221	...	...
16	..	Home Savings of America FA, Los Angeles	8,224★	7,768		
17	..	**BankAmerica Corp., San Francisco**	**8,181**	**N.A.**	**3**	**...**
18	15	Goldome Realty Credit Corp., Buffalo, N.Y.	8,014	7,059	..	..
19	**14**	**Meritor Savings Bank, Philadelphia**	**7,630**	**7,723**	**3**	**3**
20	**17**	**Sovran Financial Corp., Richmond (e)**	**6,904**	**6,593**	**2**	**1**
21	19	Chemical Mortgage Corp., Columbus, Ohio	6,779	6,362	...	...
22	18	Anchor Mortgage Services, Inc., Wayne, N.J.	6,708	6,545	...	...
23	21	Alliance Mortgage Co., Jacksonville, Fla.	6,649	6,037	...	...
24	..	Bright Mortgage Co., Dallas	6,200	4,750	...	...
25	20	Imco Realty Services Inc., Santa Rosa, Calif.	6,136	6,186	...	...

For the first time, this listing has been expanded to include thrift institutions who service mortgages for others directly (and not through a mortgage company subsidiary). For firms with more than one subsidiary (mortgage company, thrift, or commercial bank) servicing mortgages for others, the combined servicing figure of these subsidiaries is used. The name of the parent company is shown in bold type. (a)—Data shown for both June 30 and Dec. 31 include Citicorp Savings of Illinois, Chicago. June 30 data were not available for Citicorp Savings, therefore March 31 data were used. Citicorp Savings' servicing portfolio totaled $1 billion on March 31 and Dec. 31, according to FHLBB data. (b)—Formerly Manufacturers Hanover Mortgage Corp, company was sold to Fireman's Fund Corp., Novato, Calif. on June 30. (c)—On June 1, 1986, Kissell Co., Springfield, No., was acquired by CityFed Financial Corp., parent of City Federal Savings & Loan Assn., Elizabeth, N.J. City Federal Savings' mortgage division—CityFed Mortgage Co.— was servicing approximately $7.1 billion for others on June 30. (d)—A subsidiary of Commonwealth Savings Association, Houston. Company changed name from Commonwealth Mortgage Corp. and now reports consolidated data which includes Commonwealth Western Mortgage Corp., Portland, Oregon (the former General Electric Mortgage Corp.). Prior to this year, both mortgage companies reported separately (†)— The 12/31/85 rank is for Commonwealth Savings Assn. The 12/31/85 mortgage servicing volume was the combined servicing volume for Commonwealth Mortgage Corp. and Commonwealth Western Mortgage Corp. (e)—Servicing is done by Sovran Mortgage Corp., Richmond and Sovran Bank/Maryland, Bethesda (formerly Suburban Bank). Dec. 1985 data for bank not available. (★)— Data are for March 31, from the thrift's report of condition submitted to the Federal Home Loan Bank Board. Source of these thrift data is ADPData Services Division, New York.

Congress . . .

Continued from Page 4

"Domestic and foreign confidence in the U.S. financial system was temporarily shaken," says Mr. Wirth.

• Farm credit. The Farm Credit System, the $60 billion cooperative lending network, has been strapped by declining land and commodity prices among its farmer-borrowers. It's also struggling with an unfortunate price disparity between its source of funds — bonds yielding about 13% interest — and prevailing farm loan income — fetching closer to 10% interest.

Congress in its final days voted authority to the Farm Credit System to write off current losses on this negative spread over 20 years.

The point, says H. Brent Beesley, president of the Farm Credit Corporation of America, which handles system financing, is to keep system lenders competitive with commercial bank lenders.

Better borrowers have been refinancing their older, 14% loans for 10% loans with nonsystem lenders, Mr. Beesley says. If the system wants to remain in business, it must keep those better borrowers.

What worries Farm Credit Administration chairman Frank Naylor, who regulates the industry, is that the writeoff may prove an accounting gimmick that fosters reckless lending.

Commercial bankers, such as those represented by the Independent Bankers Association of America, complain the accounting change gives another advantage to Farm Credit System lenders.

Farm lenders generally suffered another setback with passage of new bankruptcy protection for farmers. Known as Chapter 12 of the bankruptcy code, the new law gives farmers with as much as $1.5 million in debt 90 days to file a financial reorganization plan to be considered by a judge.

• South Africa sanctions. Impatient with the slow progress the white South African government has made in what it calls its reform efforts, Congress approved new sanctions on American business ties with the prosperous apartheid state.

For banks, the law forbids new loans to the South African government, or government-sponsored agencies and companies.

The Anti-Apartheid Act of 1986 also authorized minting of U.S. gold coins to compete against the Krugerrand. Sales are bustling.

• Credit unions. Congress took control of what is called the Community Development Credit Union Revolving Loan Fund from the Health and Human Services Department, which has been sitting on the money, and gave it to the National Credit Union Administration to administer. It is only $3 million, and is aimed at offering credit unions in low-income neighborhoods startup capital.

• Computer fraud. Washington wrote new safeguards for financial institution computer systems. The Electronic Communications Privacy Act protects a variety of new communications technologies from interception, including computer-to-computer transmissions such as home banking, and electronic mail.

• Tax reform. Probably the most important law for bankers, as well as the rest of America, the Tax Reform Act will affect banking in many as-yet unknown ways.

Gone is the investment tax credit, the chunk banks could subtract from their tax bill if they bought leasing equipment. Gone is the deduction for carrying most municipal revenue bonds. And with the alternative minimum tax, gone is the ability to load up on tax-free municipal bonds as a means of avoiding Uncle Sam.

For large healthy banks, gone is the tax reserve deduction for loan losses. Further, existing reserves must be reported as income over the next half-decade. Gone, too, is the unlimited use of foreign taxes on foreign loans as a means to reduce American taxes. ■

Top 100 Mortgage Firms Service $423.8 Billion

Continued from Page 7

June 30. If this acquisition had taken place prior to midyear, Fleet Financial Group would have ranked fourth among the nation's mortgage servicers with a total, combined portfolio of $16.3 billion.

• The top 100 commercial banks were servicing $27.2 billion in mortgages for investors on June 30, up 3% from $26.4 billion a year earlier.

• The top commercial bank in servicing is Bank of America, San Francisco, with $2.7 billion in servicing on June 30, down 11% from $3.03 billion in servicing on June 30, 1985.

• The top thrift institution in servicing is Commonwealth Savings Association, Houston, with $10.6 billion in servicing on March 31. Commonwealth's servicing is performed by its mortgage company subsidiary Commonwealth Mortgage Corporation of America, Houston, which ranked sixth among mortgage companies, based on its $11.4 billion portfolio on June 30.

The thrift mortgage servicing listing, which is derived from the Bank Board report-of-condition series, includes thrifts insured by the Federal Savings and Loan Insurance Corp. that service mortgages either directly themselves (within the thrift) or through a subsidiary mortgage company.

• The top thrift that performs servicing directly is American Savings & Loan Association, Stockton, Calif., with $10.1 billion on March 31.

The 10 Largest Losers Among the Top 100 Mortgage Companies

(Dollar Amounts in Millions)	Servicing 6/30/86	Servicing 6/30/85	Percent Decrease	Mtge. Rank
1 Security Pacific Mortgage Corp., Denver	2,467	4,069	39.38	57
2 Midland Mortgage Co., Oklahoma City	2,253	3,549	36.54	61
3 FBS Mortgage Corp., St. Paul, Minn.	1,812	2,649	31.61	84
4 Pacific First Mortgage Corp., Walnut Creek, Calif.	4,308	4,950	12.97	32
5 Citicorp Real Estate Inc., New York	2,200	2,522	12.77	64
6 Guild Mortgage Co., San Diego, Calif.	1,710	1,897	9.85	89
7 Foster Mortgage Corp., Fort Worth, Tex.	2,609	2,790	6.47	53
8 Mortgage Investment Co. of El Paso, Tex.	2,600	2,747	5.34	54
9 Crocker Mortgage Co., Inc., San Diego, Calif.	3,022	3,128	3.40	48
10 Bowest Corp., La Jolla, Calif.	4,997	5,172	3.38	27

• For the first time, the *American Banker* includes in its listing of the top 25 servicers among banks, mortgage companies, and thrifts those thrifts directly servicing mortgages for investors. Two such thrifts made this listing. American Savings ranked 11th, and Home Savings of America FA, Los Angeles, ranked 16th with $8.2 billion in servicing on March 31.

Early production schedules prevented the *American Banker* from correcting erroneous data appearing in today's listings. There are three such errors.

Two of the errors are in the table on page 26 entitled "Ownership of the Top 100 Mortgage Companies." Fifth-ranked Metmor Financial Inc., Los Angeles, is owned by Metropolitan Life Insurance Co., New York. And 48th-ranked Crocker Mortgage Co., San Diego, Calif., is owned by Wells Fargo & Co., San Francisco.

There is also an error in the table on page 28 entitled "Top 100 Banks in Servicing of Permanent Mortgages." Simmons First National Bank, Pine Bluff, Ark., which ranks fifth on the listing, submitted erroneous data that included its mortgage company subsidiary. The bank currently is in the process of revising its data. ■

Mergers . . .

Continued from Page 45

nated by five giant institutions."

Like other future-watchers, Mr. Friedman for some time has been attempting to predict the ways in which consolidation will occur in the banking industry. He says most studies he's been involved with envisioned a much more rapid process where states such as Texas would permit statewide branching rather than expansion through the formation of multibank holding companies.

Furthermore, "piecemeal geographic deregulation" and the sorry state of the farm and energy economies have contributed to a slowdown in expected mergers, according to Irving Leveson, senior vice president and director of research for the Hudson Strategy Group, a subsidiary of the Marsh & McLennan Companies Inc.

Still, he thinks a figure of 5,000 banks by the year 2000 is not out of the realm of reality: "The error in predicting will be because a larger number of small banks than expected survive, not because of a mistake in projecting what percentage of the business the largest 100 banks will have."

It is the beginnings of early concentration of assets among those larger institutions that Mr. Leveson says the *American Banker* survey may have picked up by finding that 20% of the public does business with a financial institution that has been merged or acquired.

He suggests that another possibility is that people may also have confused name changes with mergers. For the 12th straight year, banks have changed their names more frequently than other kinds of companies, according to a recent study by Anspach, Grossman Portugal Inc., communications consultants.

Additionally, the fact that people generally use multiple suppliers of financial services increases the chance that more of them would have experienced an amalgamation over the course of several years. ■

Mortgage Bankers

Continued from Page 2

least of which is that all they really are are pricing bulletin boards," Mr. Poe said. "The mortgage origination process as well as the consumer origination process involves a heck of a lot more than price."

The process involves personal service, and because of that, Mr. Poe feels there will always be a place for the smaller mortgage banking companies, even as giants like GMAC Mortgage Co. move in. Since the smaller firms will have a place in the industry, he doesn't see a large consolidation. "Clearly, the industry is consolidating at the servicing and marketing level but growing, fragmentizing, and almost turning into a boutique industry at the origination side," he said.

"I'm convinced that as long as the mortgage transaction is for most people the largest and most significant financial transaction they'll ever get involved in, that they really need someone to talk to them on an individual basis.

"I'm hard-pressed to see the origination function consolidated," he said.

How Wells Fargo Absorbed Crocker, Kept Its Customers

By LAURA GROSS

NEW YORK — How do you handle a merger so consumers don't get turned off?

Some bankers point to Wells Fargo Bank's acquisition of Crocker National Bank, both in San Francisco, as a good case study.

They say that Wells acted properly in the merger by minimizing employee panic and handling customer confusion before it began.

Employee turnover at acquired institutions usually booms. At Crocker it declined dramatically, from 25% right before the merger was announced, to 5%, according to Lona Jupiter, a Wells Fargo senior vice president.

Part of the reason, says Stephen A. Enna, a Wells senior vice president and personnel director, is that "we spent a lot of time making sure people were treated fairly. From a human resources perspective, it's great to do lots of nice things for people, but the reason we did it is that it made good business sense.

"To the extent you can inform employees of their status and the policies and programs that effect them, you'll minimize disruption in the workplace. That disruption is important because it can, and oftentimes does, lead to customer dissatisfaction," Mr. Enna adds.

The first thing Wells did was solicit the help of Crocker's human resources staff so that, within a week of the announcement, they could issue a special edition of Wells' employee handbook for Crocker workers that spelled out the benefits they'd have as Wells Fargo employees. For those whose jobs were to be eliminated, Mr. Enna says, a minimum of 30 days' advance notice was given and letters were sent explaining the amount of separation pay, where to attend job search workshops, and other issues of interest.

For these people, the goal was "that they feel treated in an equitable fashion," Mr. Enna says. And for employees who stayed, there was a 24-hour hotline to call if they felt concerned or anxious, he says.

Also important was clear, strong, and immediate communication with consumers. Wells interviewed Crocker's customers to see what their concerns were. Ms. Jupiter says the principal concerns were, "Will my branch close and do I have to order new checks."

A letter went out to every Crocker customer explaining that they didn't have to order new checks and giving a phone number to call for further questions. The phone was staffed for six weeks. After the crush of calls during the first two weeks, they dribbled off to just a few.

"We coped with their initial anxiety and nervousness and convinced people to give us a chance. They may have been even more forgiving than they normally would have been because of that," Ms. Jupiter says. ■

WASHINGTON POWER BROKERS — SECTION STARTS ON PAGE 11

American Banker

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VOL. CLI NO. 213 Tuesday, October 28, 1986 Year

TODAY

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The ABA's advocacy on your part has been, and continues to be, weakened by a lack of commitment, disinterest, and even outright opposition among some of its members.

Comptroller of the Currency Robert L. Clarke speaking at the American Bankers Association convention. [Page 1]

Unquote

Customer Lines Not Getting Longer at ATMs

But Consumer Survey Finds More Heavy Users

By MICHAEL WEINSTEIN

NEW YORK — The number of people using automated teller machines in 1986 has remained virtually flat compared with a year ago, according to a survey commissioned by the *American Banker*.

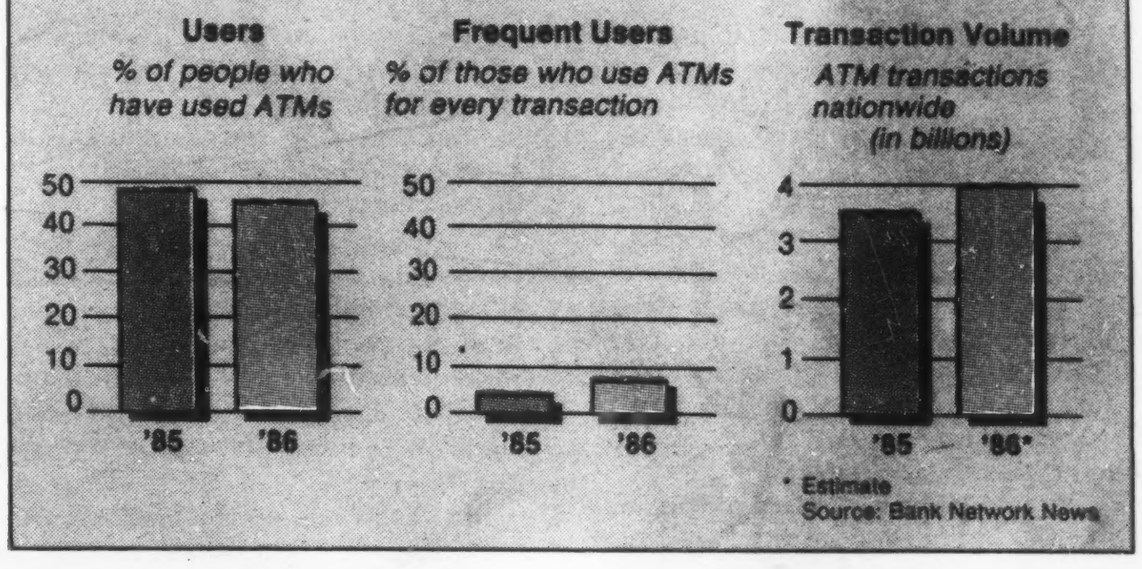
However, the number of heavy users — those who say they use banking machines for every transaction — has doubled, and some bankers think that repeated use by ATM addicts is a major reason that more transactions are flowing through the nation's teller machines.

Even though transaction volume is up, industry observers say that at least some of the machines are not cost-effective. And bankers are divided over the importance of attracting new users quickly to ATM technology.

The newspaper's third annual survey, "How Consumer America Views the Changing Financial Services Industry," gauged attitudes on a range of issues in the financial services industry.

AN American Banker SURVEY

Survey: Page 38 ➡



Washington Leaders Say Banks' Lobbying Is in Disarray

By ROBERT TRIGAUX

SAN FRANCISCO — Industry squabbling over the direction of banking and financial services has left Congress confused and unlikely to act soon to advance financial deregulation without clearer goals, Washington officials told the annual gathering of the nation's commercial bankers.

At the American Bankers Association convention here, Comptroller of the Currency Robert L. Clarke said that industry apathy and dissension are undermining commercial banking's message to the federal government.

"The ABA's advocacy on your part has been, and continues to be, weakened by lack of commitment — disinterest — and even outright opposition among some of its members," Mr. Clarke said in remarks prepared for delivery on Monday.

"Your place — and the place of the American banking structure — in the new financial world that's coming together will, in large part, be determined by whether and how soon the changes the ABA seeks on the part of bankers are made. Without your commitment, your interest, and your support, those changes may never come," Mr. Clarke said.

Robert Clarke

"You can keep America's banking structure entangled in a legal and regulatory web that practically assures your industry's decline."

Separately on Monday, ABA's outgoing president, Donald Senterfitt, said that the banking industry has been

Lobbying: Page 39 ➡

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